
Improper Payments Information Survey for the CCDF Program

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Instructions

In accordance with the Paperwork Reduction Act of 1995, collection of this information has been approved by the Office of Management and Budget (OMB) under OMB Control Number 0970-0291, expiration date 10-31-2008. Submission of this information, however, is voluntary. The public reporting burden for this collection of information is estimated to average 24 hours per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Please enter the following information for the individual(s) completing this questionnaire and attachments, so we may contact them to clarify information, if necessary.

Date: _____

Name: _____

Title: _____

State Agency: _____

(Area Code) Phone Number: _____

E-mail Address: _____

Please return the completed questionnaire and attachments in the enclosed business reply envelope. Alternatively, you may fax your completed questionnaire and brief attachments to the attention of Sarah Potter at 202-690-5600, or preferably email an electronic copy of the questionnaire and any attachments to her at spotter@acf.hhs.gov.

If you have any questions or comments regarding your submissions, please contact Sarah Potter at 202-205-8388, or at spotter@acf.hhs.gov.

Please return the questionnaire and attachments within 60 days of receipt.

As a point of reference, under the Improper Payments Information Act of 2002, the term, "Improper Payment"

- (a) means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and
- (b) includes any payment to an ineligible recipient, any payment for an ineligible service, any duplicate payment, payments for services not received, and any payment that does not account for applicable discounts.

General Overview: Policies and Infrastructure

1. How does the CCDF Lead Agency define improper payments?
2. Provide a description (electronic copy, if available) of the organizational structure of the agency in your State that handles improper payments in the child care program. If available, please submit an organizational chart or provide the web site address where it can be found..
3. Please check all of the topics or activities listed below for which your State has policies or regulations in place for the program. *(Please check all that apply.)*
 - ☐ Steps involved in identifying a potential improper payment
 - ☐ Steps involved in verifying an improper payment
 - ☐ Establishing claims for improper payments
 - ☐ Collecting improper payments, including, for example, the authority to reduce payments to recover overpayments
 - ☐ Distribution of recovered improper payments
 - ☐ Sources of funding for addressing improper payments
 - ☐ Other *(please specify :)* _____

Identification and Assessment of Improper Payments

4. For which of the following uses of program funds has your State performed an assessment or analysis to determine whether the program is at risk of improper payments? (Please check all that apply.)

	Assessment/Analysis Performed	
Agency error or fraud	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Provider error or fraud	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Client/Parent error or fraud	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Payments to service providers	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Payments to clients	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Other (Please specify):	<input type="checkbox"/> Yes	<input type="checkbox"/> No

5. Please describe your process for identifying and handling improper payments and include all aspects of the process through resolution:

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6. Which methods, if any, did your state use to identify a total amount of improper payments for the program? *(Please check all that apply.)*

Calculation based on:

- ☐ Findings from the state's Single Audit
☐ Other audit findings from state auditors
☐ Findings from other state or local auditors, including legislative review entities *(Please specify :)*

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- ☐ Findings from state or local fraud units *(Please specify :)*

-
- ☐ Reviews of service providers and/or contractors
☐ Reviews of sampled cases, although not statistically representative of all program payments
☐ Statistically representative sample of payments
☐ Other *(Please specify :)*

-
7. Which of the following elements, if any, has your State maintained? *(Please check all that apply.)*

- ☐ A statistically valid sample of cases or payments is regularly selected and reviewed to verify eligibility and payment accuracy
☐ An improper payments rate is calculated
☐ Information on other client and case characteristics are collected
☐ Other (Please describe) _____
☐ None

8. Does your State calculate an improper payments (including fraudulent payments) rate, that is, a measure of the percentage of total payments that are determined to be improper? *(Please check one response and provide the appropriate data.)*

- ☐ Yes. Please describe the methodology used to arrive at the error rate.

Most recently completed fiscal year _____ *(Specify ending month/ year)* _____

Next most recently completed fiscal year _____ *(Specify ending month/ year)* _____

- ☐ No

- ☐ Information not available.

Describing Improper Payments: Sources, Types, Causes

9. Does your State track information on the sources, types, or causes of improper payments in the program? *(Please check one response.)*

☐ Yes

☐ No

10. a. Please rank the following sources of improper payments (1 to 7) for the program in your State over the past two fiscal years, beginning with one (1) indicating the primary source of improper payments. Error is defined as an inadvertent mistake whereas fraud is defined as a willful misrepresentation. *(Please rank each source below.)*

___ Client error

___ Provider error

___ State Agency error

___ Local Agency error

___ Client fraud

___ Provider fraud

___ State Agency fraud

___ Local Agency fraud

___ Other (Please specify) _____

10. b. Of all improper payments, what proportion would you estimate results from regulated providers versus from unregulated providers?

Regulated providers _____ %

Unregulated providers _____ %

What proportion of funds is provided to regulated providers versus unregulated providers?

Regulated providers _____ %

Unregulated providers _____ %

11. Of all improper payments in your State, what proportion of those payments would you estimate are overpayments and what proportion would you estimate are underpayments? An overpayment is defined as a payment larger than what should have been made/received or any payment that is received when none should have been received. An underpayment is defined as a payment smaller than what should have been made/received or no payment was received when there should have been one..

Overpayments _____ %

Underpayments _____ %

12. To what extent, if any, have the following factors contributed to improper payments in your State over the past two fiscal years? *(Please check one answer in each row.)*

Factors contributing to improper payments	Great extent	Moderate extent	Little extent	No extent	Don't know
Related to clients					
a. Nonreporting/underreporting of income					
b. Client receiving payment in more than one jurisdiction					
d. Incorrect reporting of household size					
e. Incorrect citizenship or immigration status					
f. Incorrect information on client's compliance with program requirements, such as participating in required activity					
g. Other (Please specify):					
Related to providers					
h. Overstating performance					
i. Claiming for services not rendered					
j. Other (Please specify):					

Prevention of Improper Payments

13. Please describe your top 3 priorities for preventing and reducing improper payments (e.g., training/meetings for providers on rules and responsibilities; training for agency staff on correct implementation of rules and responsibilities; clear communication with parents on rules and responsibilities; use of information technology.)_____

14. For each activity listed below, indicate whether or not your State performs it to verify the accuracy of information needed to determine eligibility for and/or proper amount of a program payment. If yes, indicate when in the process the step or activity is performed and how often it is performed.

Steps or activities performed	Is the step/activity performed?	If yes, at what stage in the process (e.g., pre-approval/approval; redetermination at 3 mos., 6 mos. or 12 mos. etc.)?	If yes, how often?	Please insert a checkmark by the 3 items you consider the most effective
a. Require documentation from client	<input type="checkbox"/> Yes <input type="checkbox"/> No			
b. Fingerprint clients	<input type="checkbox"/> Yes <input type="checkbox"/> No			
c. Access online databases	<input type="checkbox"/> Yes <input type="checkbox"/> No			
d. Match automated computer files	<input type="checkbox"/> Yes <input type="checkbox"/> No			

Steps or activities performed	Is the step/activity performed?	If yes, at what stage in the process (e.g., pre-approval/approval; redetermination at 3 mos., 6 mos. or 12 mos. ;etc.)?	If yes, how often?	Please insert a checkmark by the 3 items you consider the most effective
e. Conduct telephone, fax, or email contacts	<input type="checkbox"/> Yes <input type="checkbox"/> No			
f. Conduct home visits	<input type="checkbox"/> Yes <input type="checkbox"/> No			
g. Initiate a fraud investigation if warranted	<input type="checkbox"/> Yes <input type="checkbox"/> No			
h. Conduct program integrity/quality control review	<input type="checkbox"/> Yes <input type="checkbox"/> No			
i. Other (<i>Please specify :</i>)	<input type="checkbox"/> Yes <input type="checkbox"/> No			

15. Data sharing is a method used to obtain and disclose information about individuals from within your agency, from other agencies and/or from independent, third party sources, including federal and State agencies or private companies. These activities can be conducted before an initial payment is made to an individual or provider (pre-payment) and also after payment is made (post-payment) to verify eligibility and payment accuracy. For each source listed below:

Indicate whether or not your agency or State utilizes this data source to better ensure accurate payments under the program. If your State utilizes the source, indicate when in the process the source is used (before the payment is issued or at some point after the payment is issued), and/or indicate how often that source is used. (*Please check all appropriate responses for each row.*)

Data source	Is the source used?	If yes, when in the process?	If yes, how often?	Please insert a checkmark by the 3 items you consider the most effective)
a. Income Eligibility Verification System (IEVS)	<input type="checkbox"/> Yes <input type="checkbox"/> No			
b. Other human services programs in your agency/State	<input type="checkbox"/> Yes <input type="checkbox"/> No			
c. State department of labor or employment security	<input type="checkbox"/> Yes <input type="checkbox"/> No			
d. State directory of new hires	<input type="checkbox"/> Yes <input type="checkbox"/> No			
e. State department of motor vehicles	<input type="checkbox"/> Yes <input type="checkbox"/> No			
f. Public Assistance Reporting Information System (PARIS)	<input type="checkbox"/> Yes <input type="checkbox"/> No			
g. State data (from other States) on length of TANF receipt	<input type="checkbox"/> Yes <input type="checkbox"/> No			
h. State data (from other States) on potential concurrent TANF receipt	<input type="checkbox"/> Yes <input type="checkbox"/> No			

Data source	Is the source used?	If yes, when in the process?	If yes, how often?	Please insert a checkmark by the 3 items you consider the most effective)
i. State data (from other States) on client or provider debarment from benefits, for fraud or other infraction	<input type="checkbox"/> Yes <input type="checkbox"/> No			
j. Lottery agencies	<input type="checkbox"/> Yes <input type="checkbox"/> No			
k. Prisons and criminal justice agencies at State level	<input type="checkbox"/> Yes <input type="checkbox"/> No			
l. National Criminal Information Center (NCIC)	<input type="checkbox"/> Yes <input type="checkbox"/> No			
m. Local jails	<input type="checkbox"/> Yes <input type="checkbox"/> No			
n. Credit bureaus	<input type="checkbox"/> Yes <input type="checkbox"/> No			
o. Financial institutions	<input type="checkbox"/> Yes <input type="checkbox"/> No			
p. State tax intercepts	<input type="checkbox"/> Yes <input type="checkbox"/> No			
q. Immigration authorities	<input type="checkbox"/> Yes <input type="checkbox"/> No			
r. K-12 school systems	<input type="checkbox"/> Yes <input type="checkbox"/> No			
s. Community colleges	<input type="checkbox"/> Yes <input type="checkbox"/> No			
t. Other providers of services, education, training	<input type="checkbox"/> Yes <input type="checkbox"/> No			
u. Child support	<input type="checkbox"/> Yes <input type="checkbox"/> No			
v. Social Security Administration (SSA) form W-2 (wage statements)	<input type="checkbox"/> Yes <input type="checkbox"/> No			
w. SSA Social Security number verification	<input type="checkbox"/> Yes <input type="checkbox"/> No			
x. SSA Supplemental Security Income (SSI) data	<input type="checkbox"/> Yes <input type="checkbox"/> No			
y. SSI death information	<input type="checkbox"/> Yes <input type="checkbox"/> No			
z. Other (<i>Please specify :</i>)	<input type="checkbox"/> Yes <input type="checkbox"/> No			

Recovery of Improper Payments

16. For the most recently completed fiscal years, how much in program improper payments has your agency, or another agency within your State, recovered? *(Please indicate your responses in the space provided below.)*

Most recently completed fiscal year _____ *(Specify ending month/ year)* _____

☐ Includes fraudulent improper payments

Next most recently completed fiscal year _____ *(Specify ending month/ year)* _____

☐ Includes fraudulent improper payments

☐ Not tracked

17. What penalties does your program mandate for clients, agencies, or providers, who commit an error leading to improper payments?

A. Agency:

B. Clients/Parents:

C. Providers:

D. County/Local Agency:

Fraud: Intentional Overpayments

18. How does the CCDF Lead Agency define “fraud”?

19. Does your agency maintain data on fraudulent payments in the program as a subset of your improper payments data? (Please check one response.)

☐ Yes

Most recently completed fiscal year % _____ *(Specify ending month/ year)* _____

Next most recently completed fiscal year % _____ *(Specify ending month/ year)* _____

Please list the methods you use for finding occurrences of fraud and indicate whether you would rate each method as very effective, somewhat effective, somewhat ineffective, or very ineffective.

☐ No

Does any other entity in your State maintain this information, such as a State fraud unit or Inspector General? If yes, please provide us with a contact name and phone number:

20. What measures does your agency take to prevent collusion?

21. What penalties does your agency mandate for clients, providers, or the agency for those who commit fraud leading to improper payments?

A. Agency:

B. Clients/Parents:

C. Providers:

D. County/Local Agency:

22. Is your agency required to report, or to have information available, on improper payments to the State legislature, the Governor, or any other higher-level agencies? (Please check one response.)

☐ Yes → Please provide a copy of the report(s), and indicate who received them.

☐ No

Other

23. Describe any other information that may be relevant to improper payments in the program that you wish to share with us.

24. Please submit copies of pertinent sections of manuals and other State-issued guidance that you would like to make available, or provide the web site address where they can be found.

Thank you very much for your time and assistance!
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